

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 374 – HB 404

March 18, 2015

SUMMARY OF ORIGINAL BILL: Creates a Class A misdemeanor offense for sale of powdered or crystalline alcohol. Defines powdered or crystalline alcohol as a product that is manufactured into a powdered or crystalline form and that contains any amount of alcohol. Establishes that the sale prohibition does not apply to: any substance regulated by the United States Food and Drug Administration that is not either beer or intoxicating liquor, or a compound that could be converted into beer or intoxicating liquor; a medication that requires a prescription; or an over-the-counter medication.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004253): Changes the effective date of this act from July 1, 2015, to May 1, 2015.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Currently, powdered or crystalline alcohol is not approved by the United States Alcohol and Tobacco Tax and Trade Bureau, prohibiting it from being sold in the states.
- There will not be a sufficient number of Class A misdemeanor prosecutions for this crime for state or local governments to experience any significant change revenue or expenditures.
- Any amount of foregone state and local tax revenue will be not significant as consumers that would purchase powdered or crystalline alcohol under current state law will buy alcohol in other forms under the provisions of the bill as amended.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding". The signature is written in a cursive, flowing style.

Jeffrey L. Spalding, Executive Director

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